



Bulletin #14-08

March 10, 2008

PAY GUARANTEE PLAN (PGP)

The Pay Guarantee Plan (PGP) as negotiated by the ILWU and the PMA states that over a four (4) week period (averaged), this plan will give every registered Class “A” person a guarantee of thirty-eight (38) hours of straight time pay per week. A Class “B” registered person, the guarantee is also thirty-eight (38) hours guarantee. The Class “B” person must have five (5) or more vacation qualifying years. Pay Guarantee Plan (PGP) benefits for Class “B” persons with less than five (5) vacation qualifying years shall be a twenty-eight (28) hour guarantee.

Only those Class “A” or Class “B” registered persons who work fifty (50%) percent or more of the average work hours available to Class “A” or Class “B” persons, respectively, in their home port for the more recent available four (4) payroll quarters will be eligible for PGP.

Note: Calculations are calculated at top basic pay 4,000 hours or more - \$30.68 per hour.

The exception of the PGP benefits are that new registrants shall not be entitled to PGP until completion of one (1) year or registration. Thirty-eight (38) hours pay at the basic straight time longshore rate (\$30.68) is currently \$1,165.84 and twenty-eight (28) hours pay at the straight time longshore rate is \$859.04.

Over a four (4) week period the PGP amount for Class “A” persons is \$4,663.36 and for Class “B” persons it is \$3,436.16.

A computer print out sheet is issued weekly which computes your PGP monies and if an account is under \$4,663.36 (\$3,436.16 for Class “B” persons) for a four (4) week period. The computer automatically adds the difference between what is in your account and the \$4,663.36 or \$3,436.16 figure to the following paycheck. You don’t have to do a thing, nothing to fill out, it comes out automatically.

Your paycheck is one (1) week back and the PGP is one (1) week behind your paycheck.

That is not quite all there is to it. You must be available for work or you forfeit that week or \$1,165.84 (\$859.04 for Class “B” persons). There is a five (5) day availability. Saturday and Sunday count only if you work one (1) or both of these days. If you don’t work on the weekends, then you have to be available Monday through Friday. One (1) weekend day – worked the place of one (1) day during the week; two (2) weekend days worked takes the place of two (2) days. Availability means you cannot pass a work opportunity in your category or a clerk job during the normal dispatch period. If you pass one day during the week, the PGP cancels out the whole week by charging your account with \$1,165.84 (\$859.04 for Class “B” persons) for your one (1) day of unavailability.

FOUR WEEK AVERAGE

Say a Class “A” person worked a five (5) day week and earned \$1,227.20. In the previous three (3) weeks he worked three (3) days, \$736.32, seven (7) days \$1,963.52 and four (4) days \$981.76. That person’s week PGP account would look like this: week 4 - \$981.76; week 3 - \$1,963.52; week 2 - \$736.32; week 1 - \$1,227.20 = \$4,908.80

His/her four (4) week PGP maximum of \$4,908.80, so that person does not receive PGP monies. Now the next week he gets two (2) days.

That person's four (4) week's average would look like this: week 4 - \$1,963.52; week 3 - \$736.32; week 2 - \$1,227.20; week 1 - \$490.80 = \$4,417.84

Note what has happened: \$490.84, the newest week was added on as week one (1) and it pushed week 4 (\$981.76) off the computer total, as you only use the last four (4) weeks.

The new four (4) week total is \$4,417.74, which means is less than \$4,663.36, so that person would get \$245.52 from PGP.

Let's follow it one more week. Say that person works a five (5) day week or \$1,227.20. The new PGP looks like this week: week 4 - \$736.32; week 3 - \$1,227.20, week 2 - \$736.32, week 1 - \$1,227.20 = \$3,927.04.

Note what happened: The new five (5) day week is \$1,227.20 and becomes week 1; week 2 was \$490.80, but was given \$245.52 from PGP for a total of \$736.36; week 4 of \$1,963.52 got pushed off the computer - only the last four (4) weeks are averaged out. That person would receive \$736.32 PGP monies on the following week.

PGP earnings are defined as all earning and/or compensation received, including payments of straight time, over time, skill pay, penalty cargo pay, travel time pay, vacation pay, paid holidays, state unemployment benefits and any PGP payments.

CALIFORNIA UNEMPLOYMENT INSURANCE

The unemployment insurance payments also get into the act. In a week that you earn nothing or less than \$450.00, the computer issues an unemployment card. The form will be mailed to you by the PMA with instructions on how to fill out the form. You must return the form within ten (10) days or you forfeit that week \$1,165.84 (\$859.04 Class B) so be prompt.

VACATIONS AND THE PMA

Don't forget vacations. The computer will add all vacation money received on your PGP account one (1) of two (2) ways. It will charge to your PGP account in the weeks you report your vacation to the Records Clerk (must be reported before going on vacation) or vacation monies received will be charged to your PGP account at the beginning of the next payroll year.

ADDITIONAL NOTES

The PGP fund does not distribute to Social Security, California State Unemployment Insurance or California Disability Insurance, as PGP monies are considered a supplemental benefit. PGP hours do count toward a pension qualifying year and for health and welfare, also towards a vacation qualifying year (but does not give you vacation monies) every \$30.68 of PGP money counts as one (1) hour towards your benefits.

Also, any unauthorized Stop Work Meeting disqualifies everyone for PGP in the payroll week that the violation occurs.

PGP at time can be complicated, but if you have any questions or need help, please see the Records Clerk. Any claim or incorrect payment of PGP must be filed no later than twenty-eight (28) days after the payday on which the payment was made.

Fraternally,
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